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Agency of Education

To: Special Education Administrators

From: Cindy Moran, State Director of Special Education
General Supervision and Monitoring Team

Nicole Tousignant, Special Education Finance Manager
Financial Management Team

Date: May 22, 2014

Subject: Individuals with Disabilities Education Act – Part B FY-2015 Basic and
Preschool Flow Through Application Forms and Instructions

Field Memo: 14-03

Attached you will find the forms and information needed to apply for FY-2015 IDEA-B Basic (4226) and Preschool (4228) Flow Through grants. The attached spreadsheet shows the preliminary amount for each supervisory union based on the information available. The updated population and poverty counts for the supervisory unions have been used in this calculation. These are considered preliminary as there is always the possibility that the award to the Vermont will change when the actual the federal award are made.

Changes for FY15

A recent audit from the Office of Special Education Programs (OSEP) identified an area of non-compliance related to 34 CFR §300.203(b). The finding specifically states that the Agency of Education needs to develop “procedures to ensure that each LEA budgets, for the education of children with disabilities, at least the same amount as the LEA spent for that purpose in the most recent prior year for which information is available.” To be in compliance with this requirement the Agency of Education has developed a new procedure that will compare the FY-2015 Service Plan Estimate to the FY-2013 actual special education expenditures. Those supervisory unions whose FY-2015 Service Plan Estimate is lower than their FY-2013 actual expenditures will be contacted and given the opportunity to justify an allowable exception to meet Maintenance of Effort.

This change has prompted the removal of the Assurances Regarding Non-Supplanting and Maintenance of Effort in the Assurances section of the application. Please contact Nicole Tousignant at (802) 479-1137 with questions.

Beginning Date of Grants

The beginning date of each grant is the date that the completed grant application is **received** by the Vermont Agency of Education in substantially approvable form but not before July 1, 2014. The Local Education Agency Plan Assurances is part of the application for each type of IDEA-B funds for FY-2015. The beginning date of each individual IDEA-B grant can not be prior to the date that the FY-2015 LEAP Assurances package for the supervisory union is received by the Agency in substantially approvable form.

In addition to the LEAP Assurances being received, each grant can not start until the date that the Agency receives both the grant budget electronically in Excel format and the cover sheet with the Superintendent's original signature in substantially approvable form. Please note that a faxed copy of the cover sheet (sent to 802-479-1839) can be used to establish the beginning date of the grant as long as the paper copy is sent via U.S. Mail at the same time. The date that all components have been received by the Agency in substantially approvable form is the starting date of the grant as long as it is not prior to July 1st.

Maintenance of Effort (Excess Cost)

Prior to the close of the grant year, each supervisory union will be required to submit the excess costs calculation sheet to show that the Maintenance of Effort requirement has been met.

Procedures for FY-2015

The following procedures allow the Vermont Agency of Education to process the grants and amendment requests in a timely fashion. These involve highlighting in different colors certain types of budget items:

- Services to eligible parentally placed students using the proportionate share allocation need to be **highlighted in yellow** and for the IDEA-B Basic (4226) detailed grant budget, "PPS" for proportionate share should be shown in column (2).
- Coordinated Early Intervening Services (34 CFR 300.226) which is a maximum of 15% of the combined IDEA-B Basic and PreSchool allocations for FY-2015 need to be **highlighted in blue in the IDEA-B Basic detailed budget** and "CEIS" should be shown in column (2) of the detailed budget. The description column for these items needs to include both an explanation of the services that will be provided as well as the criteria used to determine the students who will be served.
- Construction or renovation line items need to be **highlighted in pink**. There are very specific criteria for allowing such activities under IDEA-B. Funds can not be used for those purposes without specific written approval by the Agency of Education in advance of any funds being obligated for those purposes.
- The electronic budget forms for FY-2015 should be e-mailed to cassandra.morton@state.vt.us . The paper portions of the application should be mailed to the Vermont Agency of Education to the attention of Cassandra Morton.
- **The amendment deadline for FY-2015 will be April 1, 2015.**

Reminders about the IDEA-B Basic and PreSchool Grant Application Process

The IDEA Basic Flow Through and PreSchool Flow Through funds are to be budgeted and used for the allowable special education costs under IDEA-B as listed in the general instructions and in Appendix A. The IDEA-B Basic Flow Through funds are to be used for serving eligible students who are at least three years old up to their 22nd birthday in accordance with their IEPs as well as for “child find” for children birth through age 21. The Pre-School Flow Through funds are to be used for serving eligible students who are at least three years old up to their 6th birthday in accordance with their IEPs. The information on allowable services benefiting non-disabled children is at the end of Appendix A.

The budget for each grant needs to include all the IDEA-B funds that the supervisory union plans to spend for the year. This may include funds from the FY-2015 allocation as well as carryover from the previous year. Amendments to the grants will only be able to cover costs from the date that the amendment is received in substantially approvable form to the end of the grant period. ***This means that enough funds must be included in the initial application for budget items that happen early in the grant. Line items will not be able to be added or increased after the expense has been incurred. It is especially important to include all of the costs that are needed for summer services in the original application.***

Tips for Completing IDEA-B Budgets and Handbook II Coding Sheets

The “Tips for Completing IDEA-B Budgets” is a quick overview of the instructions highlighting areas where common errors are made. Also enclosed is a Handbook II Coding sheet – one side for function codes and one for object codes. These should be of assistance when completing the budget detail.

Staff Documentation Requirements

Staff documentation is required for all salaries charged to federal grant funds without exception. There are two possible forms of staff documentation – Periodic Time Certifications and Personnel Activity Reports. The form that needs to be used for each individual employee depends on whether all of the work the person performs would be an allowable cost for IDEA-B grant funds (excluding CEIS and Proportionate share items) and what combination of funding sources are used for the employee. The only employees that can use Periodic Time Certifications are employees who only provide services to special education students and do not provide any services to non-special education students that do not qualify under the small group rule or through co-teaching being required by another student’s IEP. The Periodic Time Certification form may be used when all of the work that an employee performs can be charged to one federal grant but is actually paid from a combination of one federal grant and State/local funds. If a staff member provides any individual services to non-special education students or performs any regular education duties, then the employee’s time will need to be documented through Personnel Activity Reports. Please be sure to read the complete information on federal staff documentation for IDEA-B funds which is on the AOE web site and if you have any questions, call this office prior to filling out time documentation.

School Board Approval and Deadline for Submission

The budget forms will be sent out to allow time for the LEAP to be voted on by each school board within your Supervisory Union. Pursuant to State Board of Education Regulation 2366.10,

the LEAP must be submitted by each supervisory union that receives state or federal funds for special education. In accordance with federal regulations, the local education agency must provide assurances that are spelled out in the LEAP. The best way to properly provide those assurances is to have each local school district board properly notice, warn, and discuss the policies necessary to meet LEAP requirements. The local board can then authorize their representative(s) to the supervisory union board to vote in favor of or against the LEAP provisions. It should be noted however, that failure to adopt the LEAP does not relieve a district or the supervisory union of IDEA responsibilities. The approval by the Supervisory Union Board has basis in 16 V.S.A. §261a(6)(A), which states that the Supervisory Union Board is responsible for providing special education.

Submission

If you have questions about completing the LEAP or Pre-School budget forms, please contact Cassandra Morton at 802-828-5112 for assistance.

The completed LEAP and budget cover pages should be mailed to:

Vermont Agency of Education
Attn: Cassandra Morton
219 North Main Street, Suite 402
Barre, VT 05641

Copies of the excel files with the budgets completed should be e-mailed to:
cassandra.morton@state.vt.us .

cc: Superintendents
Business Managers

Enclosures:

FY-2015 IDEA-B Basic and Pre-School Allocations Including Proportionate Share Amounts

Additional Enclosures for only Special Education Administrators:

Instructions for Local Education Agency Plan for FY-2015
Local Education Agency Plan for FY-2015
IDEA-B Basic Grant Budget Forms for FY-2015
IDEA-B Preschool Grant Budget Forms for FY-2015
Tips for Completing IDEA-B Budgets
Handbook II Coding for IDEA Grant Applications